

**EAST BATON ROUGE PARISH
ASSESSOR'S OFFICE
BATON ROUGE, LOUISIANA**

FINANCIAL REPORT

December 31, 2007

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 6/4/08

**Provost
Salter
Harper
Alford LLC** **Certified
Public
Accountants**
**Business
Advisors**

8550 United Plaza Boulevard, Suite 600, Baton Rouge, Louisiana 70809, Phone: (225) 924-1772 / Facsimile: (225) 927-9075

EAST BATON ROUGE PARISH ASSESSOR'S OFFICE

Table of Contents

December 31, 2007

	Page(s)
INTRODUCTORY SECTION	
Title Page	i
Table of Contents	ii
FINANCIAL SECTION	
INDEPENDENT AUDITOR'S REPORT	1
Required Supplemental Information	
Management's Discussion and Analysis (MD&A)	3
Basic Financial Statements	
Government-Wide Financial Statements (GWFS)	
Statement of Net Assets	<i>Exhibit A</i> 14
Statement of Activities	<i>Exhibit B</i> 15
Fund Financial Statements (FFS)	
Balance Sheet – Governmental Fund	<i>Exhibit C</i> 17
Reconciliation of the Governmental Fund Balance Sheet to the Statement of Net Assets	<i>Exhibit D</i> 18
Statement of Revenues, Expenditures, and Changes in Fund Balance – Governmental Fund	<i>Exhibit E</i> 19
Reconciliation of the Governmental Fund Statement of Revenues, Expenditures and Changes in Fund Balance to the Statement of Activities	<i>Exhibit F</i> 20
Notes to Financial Statements	21
Other Required Supplementary Information	
Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – General Fund	<i>Exhibit G</i> 34
Reports Required by the Government Auditing Standards	
INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS	36



Certified
Public
Accountants

Business
Advisors

INDEPENDENT AUDITOR'S REPORT

Honorable Brian Wilson, Assessor
East Baton Rouge Parish Assessor's Office

We have audited the accompanying financial statements of the East Baton Rouge Parish Assessor's Office as of and for the year ended December 31, 2007 as listed in the table of contents. These financial statements are the responsibility of the East Baton Rouge Parish Assessor's Office's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the financial position of the East Baton Rouge Parish Assessor's Office as of December 31, 2007, and the changes in financial position for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated May 15, 2008, on our consideration of the East Baton Rouge Parish Assessor's Office's internal control over financial reporting, and our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The management's discussion and analysis and the other required supplementary information on pages 3 through 11 and 34, are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

PROVOST, SALTER, HARPER & ALFORD, LLC

Provost, Salter, Harper & Alf-ord, LLC

May 15, 2008

EAST BATON ROUGE PARISH ASSESSOR'S OFFICE

Management's Discussion and Analysis

December 31, 2007

EAST BATON ROUGE PARISH ASSESSOR
Baton Rouge, Louisiana

Management's Discussion and Analysis

We offer readers of the East Baton Rouge Parish Assessor's financial statements this narrative overview and analysis of the financial activities of the Assessor for the fiscal year ended December 31, 2007. Please read it in conjunction with the basic financial statements, which follow this section.

FINANCIAL HIGHLIGHTS

The Assessor's net assets increased by \$140,936, or 2%.

The Assessor's revenues increased by \$332,839, or 9%.

The Assessor's expenditures increased by \$83,964, or 2%.

OVERVIEW OF THE BASIC FINANCIAL STATEMENTS

This Management Discussion and Analysis is intended to serve as an introduction to the Assessor's basic financial statements. The Assessor's basic financial statements comprise of three components: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the financial statements. This report also contains additional information to supplement the basic financial statements, such as required supplementary information. Comparative data is presented when available.

Government-Wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the Assessor's finances, in a manner similar to private-sector business.

The Statement of Net Assets presents information on all of the Assessor's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the Assessor as a whole is improving or deteriorating.

EAST BATON ROUGE PARISH ASSESSOR
Baton Rouge, Louisiana

Management's Discussion and Analysis, Continued

The Statement of Activities presents information showing how the Assessor's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in the statement for some items that will only result in cash flows in future periods (e.g. uncollected taxes and earned, but unused vacation leave).

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Assessor uses a single fund to ensure and demonstrate compliance with finance-related laws and regulations. Within the basic financial statements, fund financial statements focus on the Assessor's only fund, the general fund.

The Assessor uses only one fund type:

The Governmental fund is used to account for essentially the same function reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources at the end of the fiscal year. Such information may be useful in evaluating the Assessor's near-term financing requirements.

Because the focus of the governmental fund financial statements is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. Both the governmental fund Balance Sheet and the governmental fund Statement of Revenues, Expenditures and Changes in Fund Balance provide a reconciliation to assist in understanding the differences between these two perspectives.

Notes to the Financial Statements

The accompanying notes to the financial statements provide information essential to a full understanding of the government-wide and fund financial statements.

EAST BATON ROUGE PARISH ASSESSOR
Baton Rouge, Louisiana
Management's Discussion and Analysis, Continued

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the Assessor.

FINANCIAL ANALYSIS OF GOVERNMENT-WIDE ACTIVITIES

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of the Assessor, assets exceed liabilities by \$7,266,697 at the close of the most recent fiscal year. Approximately 2% of the Assessor's net assets reflects its investment in capital assets (e.g. equipment). These assets are not available for future spending.

The balance in unrestricted net assets is affected by the purchase of capital assets from internally generated funds and required depreciation on assets.

Summary of Net Assets

	<u>2007</u>	<u>2006</u>
Assets:		
Current assets	\$ 7,189,892	\$ 7,058,908
Capital assets, net of accumulated depreciation	<u>119,540</u>	<u>111,359</u>
Total assets	7,309,432	7,170,267
Liabilities:		
Current liabilities	<u>42,735</u>	<u>44,506</u>
Net assets:		
Investment in capital assets	119,540	111,359
Unrestricted	<u>7,147,157</u>	<u>7,014,402</u>
Total Net assets	<u>\$ 7,266,697</u>	<u>\$ 7,125,761</u>

EAST BATON ROUGE PARISH ASSESSOR
Baton Rouge, Louisiana

Management's Discussion and Analysis, Continued

The following data is presented on the accrual basis of accounting. Note, however, that although the purchase of capital assets is not included, depreciation on capital assets is included. The Assessor's net assets increased during the current fiscal year. The change is shown below.

Summary of Changes

	<u>2007</u>	<u>2006</u>	<u>% Increase (Decrease)</u>
Revenues:			
General Revenue:			
Taxes	3,758,567	3,432,853	9%
Interest	211,151	205,674	3%
Other	3,926	5,051	-22%
	<u>3,973,644</u>	<u>3,643,578</u>	9%
Program Revenue:			
Charges for services	105,418	102,645	3%
	<u>105,418</u>	<u>102,645</u>	3%
Total revenue	<u>4,079,062</u>	<u>3,746,223</u>	9%
Expenditures:			
Personnel services	3,477,710	3,420,034	2%
Other services and charges	412,650	390,262	6%
Supplies	47,766	43,867	9%
Total expenditures	<u>3,938,126</u>	<u>3,854,162</u>	2%
Change in net assets	140,936	(107,939)	
Beginning net assets	<u>7,125,761</u>	<u>7,233,700</u>	-1%
Ending net assets	<u>\$ 7,266,697</u>	<u>\$ 7,125,761</u>	2%

EAST BATON ROUGE PARISH ASSESSOR
Baton Rouge, Louisiana

Management's Discussion and Analysis, Continued

GOVERNMENTAL REVENUE

The Assessor is heavily reliant on property taxes to support its operations. Property taxes provided 92% of the Assessor's total revenues. Because of the Assessor's financial position, they have been able to earn \$211,151 in interest earnings to support their activities, in spite of the low interest rates available on investments. Also, note that charges for services cover only 3% of governmental operating expenses. This means that the Assessor's taxpayers and the Assessor's other general revenues fund 97% of the Assessor's activities. As a result, the general economy and local businesses have a major impact on the Assessor's revenue streams.

GOVERNMENTAL FUNCTIONAL EXPENSES

Since Assessor's operations are staff-oriented, 88% of the budget is used for employee salaries and benefits. Operating services and materials and supplies make up 10% and 2% of the total expenses, respectively.

FINANCIAL ANALYSIS OF THE ASSESSOR'S GENERAL FUND

The General Fund is the Assessor's operating fund and the source of day-to-day service delivery. As discussed, the General Fund is reported in the fund statements with a short-term, inflow and outflow of spendable resources focus. This information is useful in assessing resources available at the end of the year in comparison with upcoming financing requirements. Remember the data presented in the fund financial statements is presented on the modified accrual basis. This means that capital assets purchased during the year are reported as expenditures and no depreciation on these capital assets is reported as an expenditure in the same year.

The total ending general fund's fund balance is \$3,478,295, a decrease of \$79,385 over the prior year. This decrease is primarily the result of the increase in personnel services.

**EAST BATON ROUGE PARISH ASSESSOR
Baton Rouge, Louisiana**

Management's Discussion and Analysis, Continued

FINANCIAL ANALYSIS OF THE ASSESSOR'S GENERAL FUND, CONTINUED

Ad valorem taxes rose 9% from 2006 by \$300,392. This increase is primarily a result of new construction and increases in assessed values.

Salaries and benefits increased from 2006 by 4.5%. The cost of group insurance increased 1% and Assessor's pension contributions were equal to the 2006 pension contribution. Operating services expenditures decreased from 2006 by 7%. Capital outlay decreased by 9% from the prior year. In 2007, the Assessor purchased computer equipment and furniture that was not capitalized because individually the purchases were less than five thousand dollars.

The General Fund's ending fund balance is considered adequate, representing the equivalent of 88% of annual expenditures. Though some might consider this percentage high, it is necessary for the Assessor to maintain a strong financial position in order to cover its cash flow needs and any unforeseen costs that might occur in the future.

BUDGETARY HIGHLIGHTS

The General Fund – Both the General Fund's original budget and 2007 actual expenditures were more than the actual amounts reported in calendar year 2006. As indicated above, the majority of this increase relates to the addition of new employees and temporary staff.

At year-end, the Assessor's final revenue was 103% of budget and actual expenses were 92% of budgeted expenses.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

The Assessor considered many factors when setting the 2008 budget. Revenues and expenditures are expected to remain fairly consistent with the 2007 fiscal year.

EAST BATON ROUGE PARISH ASSESSOR
Baton Rouge, Louisiana
Management's Discussion and Analysis, Continued

CAPTIAL ASSETS AND DEBT ADMINISTRATION

The Assessor's investment in capital assets, net of accumulated depreciation, for governmental activities as of December 31, 2007 was \$119,540. The total increase in this net investment was 7.35%. In 2007, capital asset replacement exceeded depreciation expense by \$8,181. See Note 5 for additional information about changes in capital assets during the calendar year and outstanding at the end of the year. The following table provides a summary of capital asset activity.

Capital Assets

	<u>2007</u>	<u>2006</u>
Depreciable assets:		
Vehicles, furniture and equipment	\$ 521,242	\$ 469,213
Less accumulated depreciation	<u>401,701</u>	<u>357,854</u>
Book value-depreciable assets	<u>\$ 119,540</u>	<u>\$ 111,359</u>

Capital Assets

At December 31, 2007 the depreciable capital assets for governmental activities were 77% depreciated and there was a 7% increase in the book value of the capital assets. As indicated above, these percentages indicate that in the current year, the Assessor replaced its assets at higher rate than they were depreciating. The total percentage of depreciated capital assets is quite high, (i.e., approximately three-fourths of the value of these assets is used) which indicates that additional resources may be required to replace these capital assets in the future.

Long-term Debt

At year-end, the Assessor had no long-term debt outstanding. The Assessor may issue general obligation debt to meet its capital needs but has elected to fund these needs on a "pay-as-you-go" basis. Financing capital on a current basis eliminates the deferral of capital costs to future periods.

Operating Lease

In June of 2007, the Assessor renewed a 12-month operating lease related to the satellite office opened in 2005.

**EAST BATON ROUGE PARISH ASSESSOR
Baton Rouge, Louisiana**

Management's Discussion and Analysis, Continued

CONTACTING THE ASSESSOR'S FINANCIAL MANAGEMENT

This financial report is designed to provide a general overview of the Assessor's finances, comply with finance-related laws and regulations, and demonstrate the Assessor's commitment to public accountability. If you have any questions about the contents of this report or would like to request additional information, please contact East Baton Rouge Parish Assessor, 222 St. Louis Street, Room 126, Baton Rouge, LA 70802

EAST BATON ROUGE PARISH ASSESSOR'S OFFICE

Basic Financial Statements

December 31, 2007

EAST BATON ROUGE PARISH ASSESSOR'S OFFICE

Government-Wide Financial Statements

December 31, 2007

EAST BATON ROUGE PARISH ASSESSOR'S OFFICE**Statement of Net Assets**

December 31, 2007

Assets

Cash and cash equivalents	\$ 3,157,330
Investments	274,157
Ad valorem taxes receivable (net of allowance for uncollectable accounts, \$102,720)	3,701,721
Prepaid and other	56,684
Capital assets, net of accumulated depreciation	119,540

Total Assets	7,309,432
---------------------	------------------

Liabilities

Accounts payable	9,876
Compensated absences	32,859

Total Liabilities	42,735
--------------------------	---------------

Net Assets

Investment in capital assets	119,540
Net assets unrestricted, undesignated	7,147,157

Total Net Assets	\$ 7,266,697
-------------------------	---------------------

EAST BATON ROUGE PARISH ASSESSOR'S OFFICE

Statement of Activities

Year Ended December 31, 2007

	Expenses	Program Revenues Charges for Services	Net (Expenses) Revenues and Changes in Net Assets Governmental Activities
Governmental Activities			
General Government	\$ 3,938,126	\$ 105,418	\$ (3,832,708)
General revenues			
Taxes:			
Ad valorem taxes, levied for general purposes			3,758,567
Interest and investment earnings			211,151
Miscellaneous			3,926
Total general revenues			3,973,644
Change in net assets			140,936
Net Assets - January 1, 2007			7,125,761
Net Assets - December 31, 2007			\$ 7,266,697

EAST BATON ROUGE PARISH ASSESSOR'S OFFICE

Fund Financial Statements

December 31, 2007

EAST BATON ROUGE PARISH ASSESSOR'S OFFICE**Balance Sheet-Governmental Fund****December 31, 2007****ASSETS****Assets**

Cash and cash equivalents	\$ 3,157,330
Investments	274,157
Prepaid and other	<u>56,684</u>

Total Assets \$ 3,488,171

LIABILITIES AND FUND BALANCE**Liabilities**

Accounts payable	<u>\$ 9,876</u>
------------------	-----------------

Fund Balance

Unreserved, undesignated	<u>3,478,295</u>
--------------------------	------------------

Total Liabilities and Fund Balance \$ 3,488,171

EAST BATON ROUGE PARISH ASSESSOR'S OFFICE***Reconciliation of the Governmental Fund Balance******December 31, 2007******Sheet to the Statement of Net Assets***

Total fund balance for the governmental fund at December 31, 2007 **\$ 3,478,295**

Total net assets reported for governmental activities in the statement
of net assets is different because:

Government-Wide Financial Statements reflect the economic resources
measurement focus and the accrual basis of accounting, therefore, an
accrual for ad valorem taxes is recorded **3,701,721**

Capital assets used in governmental activities are not financial resources
and, therefore, are not reported in the governmental funds balance sheet
Those assets consist of :

Vehicles, furniture and equipment, net of \$ 357,853 accumulated
depreciation **119,540**

Liability for compensated absences are not due and payable in the
current period and therefore are not reported in the governmental funds **(32,859)**

Total net assets of governmental activities at December 31, 2007 **\$ 7,266,697**

EAST BATON ROUGE PARISH ASSESSOR'S OFFICE

**Statement of Revenues, Expenditures and Changes
in Fund Balance - Governmental Fund**

Year Ended December 31, 2007

Revenues

Ad valorem taxes	\$ 3,550,912
Charges for services	105,418
Interest and investment earnings	211,151
Miscellaneous	3,926

Total Revenues	<u>3,871,407</u>
-----------------------	-------------------------

Expenditures

Current	
General government	
Personnel services	3,482,195
Other services and charges	368,802
Supplies	47,766
Capital outlay	52,029

Total Expenditures	<u>3,950,792</u>
---------------------------	-------------------------

Excess of Expenditures Over Revenues	(79,385)
---	-----------------

Fund Balance

Beginning	<u>3,557,680</u>
Ending	<u><u>\$ 3,478,295</u></u>

EAST BATON ROUGE PARISH ASSESSOR'S OFFICE

Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balance of the Governmental Fund to the Statement of Activities

Year Ended December 31, 2007

Net change in fund balance - governmental fund **\$ (79,385)**

Amounts reported for governmental activities in the statement of activities is different because:

Difference in ad valorem tax revenue recorded on the Fund Financial Statements and the Government-Wide Financial Statements. Property tax revenue will not be collected until after the Assessor's fiscal year end. These are not considered "available" revenues in the governmental funds until received. **207,655**

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.

Capital outlay	52,029	
Depreciation expense	<u>(43,848)</u>	
		8,181

Compensated absences are reported in the statement of activities and do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.

Changes in compensated absences	<u>4,485</u>
---------------------------------	---------------------

Changes in net assets of governmental activities	<u>\$ 140,936</u>
--	--------------------------

EAST BATON ROUGE PARISH ASSESSOR'S OFFICE

Notes to Financial Statements

December 31, 2007

1. Summary of Significant Accounting Policies

As provided by Article VII, Section 24 of the Louisiana Constitution of 1974, the assessor is elected by the voters of the parish and serves a four year term. The assessor assesses all real and movable property in the parish, subject to ad valorem taxation. The assessor is authorized to appoint as many deputies as may be necessary for the efficient operation of the office and provides assistance to the taxpayers of the parish. The deputies are authorized to perform all functions of the office, but the assessor is officially and pecuniarily responsible for the actions of the deputies.

The assessor's main office is located in the East Baton Rouge Parish Courthouse in Baton Rouge, Louisiana. In 2005, the assessor opened an additional branch office for the convenience of the residents of the parish. The assessor's office employs 69 employees, including 68 deputies. In accordance with Louisiana law, the assessor bases real and movable property assessments on conditions existing on January 1 of the tax year. The assessor completes an assessment listing by July 1 of the tax year and submits the list to the parish governing authority and the Louisiana Tax Commission as prescribed by law. Once the assessment listing is approved, the assessor submits the assessment roll to the parish tax collector who is responsible for collecting and distributing taxes to the various taxing bodies.

At December 31, 2007, there are 209,099 real property and moveable property assessments totaling \$3,466,560,930. This represents an increase of 4,291 assessments and an increase of \$233,429,190 in assessed value over the prior year.

A. Basis of Presentation

The accompanying basic financial statements of the East Baton Rouge Parish Assessor have been prepared in conformity with governmental accounting principles generally accepted in the United States of America. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The accompanying basic financial statements have been prepared in conformity with GASB Statement 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*, issued in June 1999.

EAST BATON ROUGE PARISH ASSESSOR'S OFFICE

Notes to Financial Statements, Continued

December 31, 2007

B. Reporting Entity

The assessor is an independently elected official and is not considered fiscally dependent on the East Baton Rouge Parish Council. As the governing authority of the parish, for reporting purposes, the East Baton Rouge Parish Council is the financial reporting entity for the East Baton Rouge Parish. The financial reporting entity consists of (a) the primary government (the parish council), (b) organizations for which the primary government is financially accountable, and (c) other organizations for which nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

Governmental Accounting Standards Board Statement No. 14 established criteria for determining which component units should be considered part of the East Baton Rouge Parish Council for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial accountability. The GASB has set forth criteria to be considered in determining financial accountability. This criteria includes:

1. Appointing a voting majority of an organization's governing body, and
 - a. The ability of the council to impose its will on that organization and/or,
 - b. The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the council.
2. Organizations for which the council does not appoint a voting majority but are fiscally dependent on the council.
3. Organizations for which the reporting entity financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

Because the council does not appoint the assessor, does not provide funding (other than the use of facilities located at the East Baton Rouge Parish Court House), or have any control over the assessor, the assessor has determined that the office is not a component unit of the East Baton Rouge Parish Council. The accompanying financial statements present information only on the funds maintained by the assessor and do not present information on the council, the general government services provided by that governmental unit, or the other governmental units that comprise the financial reporting entity of East Baton Rouge Parish.

EAST BATON ROUGE PARISH ASSESSOR'S OFFICE

Notes to Financial Statements, Continued

December 31, 2007

C. Fund Accounting

The assessor uses funds to maintain its financial records during the year. Fund accounting is designed to demonstrate legal compliance and to aid management by segregating transactions relating to certain tax assessment functions and activities. A fund is a separate fiscal and accounting entity with a self-balancing set of accounts.

Governmental funds account for all or most of the assessor's general activities. These funds focus on the sources, uses, and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may be used. Current liabilities are assigned to the fund from which they will be paid. The difference between a governmental fund's assets and liabilities is reported as fund balance. In general, fund balance represents the accumulated expendable resources, which may be used to finance future period programs or operations of the assessor. The governmental fund type used by the assessor is described as follows:

General Fund. The primary operating fund of the assessor and it's accounts for all financial resources, except those required to be accounted for in other funds. The General Fund is available for any purpose provided it is expended or transferred in accordance with state and federal laws and according to the assessor's policy. Compensation received from the various taxing bodies, prescribed by formula in Louisiana Revised Statutes 47:1907-1908, is accounted for in this fund. General operating expenditures are paid from this fund.

D. Measurement Focus/Basis of Accounting

Fund Financial Statements (FFS)

The amounts reflected in the Governmental Fund Statements (pages 17 and 19) are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. The statement of revenues, expenditures, and changes in fund balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach is then reconciled, through adjustment, to a government-wide view of the assessor's office operations.

EAST BATON ROUGE PARISH ASSESSOR'S OFFICE

Notes to Financial Statements, Continued

December 31, 2007

The amounts reflected in the Governmental Fund Statements (pages 17 and 19) use the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). Measurable means the amount of the transaction can be determined and available means collectible within the current period or soon enough thereafter to pay liabilities of the current period. Expenditures are recorded when the related fund liability is incurred and certain compensated absences which are recognized when the obligations are expected to be liquidated with expendable available financial resources. The governmental fund uses the following practices in recording revenues and expenditures:

Revenues. Tax revenue is recognized in the budgetary period for which the taxes are collected. Revenues are received from the Sheriff and Tax Collector of East Baton Rouge Parish in varying periodic payments as the ad valorem taxes are collected. Ad valorem taxes are assessed on December 1, for the calendar year, become due on December 31, and are considered past due and subject to penalties if not paid by January 31, of the following year. Interest revenue is recognized when earned.

Expenditures. Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred.

Government-Wide Financial Statements (GWFS)

The Statement of Net Assets (page 14) and Statement of Activities (page 15) display information about the assessor's office as a whole. These statements include all the financial activities of the assessor's office. Information contained in these statements reflects the economic resources measurement focus and the accrual basis of accounting.

Program Revenues. Program revenues included in the Statement of Activities (page 15) are derived directly from users as a fee for services; program revenues reduce the cost of the function to be financed from the assessor's office general revenues.

Reconciliation. A reconciliation of the Governmental Fund Balance Sheet to the Statement of Net Assets is provided on page 18. A reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balance of the Governmental Fund to the Statement of Activities is provided on page 20.

EAST BATON ROUGE PARISH ASSESSOR'S OFFICE

Notes to Financial Statements, Continued

December 31, 2007

E. Budgets

Annually, the assessor's office adopts a budget for the General Fund on the cash basis, therefore, adjustments were made on Exhibit G to include prior year accruals and remove current year accruals from the actual amounts for comparison purposes to the budgeted amounts. The budgetary practices include public notice, inspection and hearing requirements, which must be completed prior to December 15 of each year. Formal budgetary integration is not employed as a management control device during the year. Budgeted amounts are as originally adopted. The assessor has administrative authority to make changes or amendments within various budget classifications. No amendments have been made to the original budget.

F. Cash and Equivalents

Cash includes amounts in demand deposits, interest-bearing demand deposits, and time deposits. Cash equivalents include amounts in time deposits and those investments with original maturities of 90 days or less. Under state law, the assessor may deposit funds in demand deposits, interest-bearing demand deposits, or time deposits with state banks organized under Louisiana law or any other state of the United States, or under the laws of the United States.

G. Receivables

In the government-wide statements, receivables consist of revenues earned at year-end and not yet received. Allowances for uncollectible accounts receivable are based upon historical collection trends. Major receivable balances for the governmental activities include ad valorem taxes and tax roll preparation fees.

In the fund financial statements, ad valorem tax revenue is not recorded because the revenue is not considered available until received.

H. Investments

Investments are limited by Louisiana Revised Statute (R.S.) 33:2955 and include certificates of deposit and Louisiana Asset Management Pool which is authorized under Louisiana Revised Statute 33:1321. If the original maturities of investments exceed 90 days, they are classified as investments; however, if the original maturities are 90 days or less, they are classified as cash equivalents. Investments are reported at market value. Interest is accrued as earned.

EAST BATON ROUGE PARISH ASSESSOR'S OFFICE

Notes to Financial Statements, Continued

December 31, 2007

I. Prepaid and Other

Prepays and other are payments to vendors and other receivables that benefit future reporting periods reported on the consumption basis. At December 31, 2007, the assessor had prepayments to vendors of \$51,683 and accrued interest receivable on certificates of deposit of \$644 and accrued tax roll fees receivable of \$4,357.

Both prepaid and other receivables are similarly reported in government-wide and fund financial statements.

J. Capital Assets

Capital assets are capitalized at historical cost. The assessor maintains a threshold level of \$5,000 or more for capitalizing capital assets. Capital assets are recorded in the Statement of Net Assets and Statement of Activities. All capital assets are depreciated using the straight-line method over the following useful lives:

Description	Estimated Lives
Vehicles	5
Furniture and equipment	5

K. Compensated Absences

Employees of the assessor's office earn from five to twenty days of paid vacation leave per year, depending on length of service, and twelve days of paid sick leave. They are allowed to accrue up to twelve vacation days. An employee is compensated for up to 12 days of unused vacation leave at the employee's hourly rate of pay at the time of termination. The liability for these compensated absences is recorded as a liability in the government-wide financial statement. However, any matured compensated absences existing at year-end which are payable to currently terminated employees are reported in the governmental funds as wages and benefits payable.

At December 31, 2007, employees of the assessor's office have accumulated and vested \$32,859 of accrued vacation benefits.

EAST BATON ROUGE PARISH ASSESSOR'S OFFICE

Notes to Financial Statements, Continued

December 31, 2007

L. Risk Management

The assessor's office is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions, injuries to employees; and natural disasters. The assessor's office purchases commercial insurance policies at levels which management believes is adequate to protect the assessor's office. Settled claims resulting from these risks have not exceeded the commercial insurance coverage in any of the past three fiscal years.

M. Deferred Compensation Plan

Certain employees of the assessor's office participate in the Louisiana Public Employees Deferred Compensation Plan adopted under the provisions of the Internal Revenue Code Section 457. Complete disclosures relating to the plan are included in the separately issued audit report for the plan, available from the Louisiana Legislative Auditor, Post Office Box 94377, Baton Rouge, Louisiana 70804-9397.

Participants may contribute a portion of their salary with the assessor's office matching up to 4% per month, but total contributions may not exceed the amount determined under IRS regulations. All contributions are immediately vested. Participants contributed \$83,883 and the assessor's office contributed \$73,856 to the plan during the year ended December 31, 2007.

N. Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues, expenditures, and expenses during the reporting period. Actual results could differ from those estimates.

EAST BATON ROUGE PARISH ASSESSOR'S OFFICE

Notes to Financial Statements, Continued

December 31, 2007

2. Levied Taxes

The following is a summary of authorized and levied ad valorem taxes.

	Authorized Millage	Levied Millage
Assessor's Salary and Expense Fund	1.48	1.38

The following are the principal taxpayers for the parish:

Taxpayer	Type of Business	2007 Assessed Valuation	Percentage of Total Assessed Valuation
Exxon-Mobil	Oil and chemical refining	\$ 263,721,440	7.61%
Entergy Gulf States, Inc.	Utility	67,168,860	1.94%
Georgia Pacific Corporation	Pulp processing	52,679,150	1.52%
Bellsouth Communications	Telephone company	49,016,860	1.41%
JPMorgan Chase	Commercial banking	43,099,350	1.24%

3. Cash and Cash Equivalents

At December 31, 2007, the assessor's cash and cash equivalents (book balances) consists of the following:

Demand deposit	\$ 1,921,039
Time deposits	799,000
Repurchase agreements	437,291
	<u>\$ 3,157,330</u>

These deposits are stated at cost, which approximates market. Under State law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledge securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties.

EAST BATON ROUGE PARISH ASSESSOR'S OFFICE

Notes to Financial Statements, Continued

December 31, 2007

At December 31, 2007, the assessor had \$3,496,722 in deposits (collected bank balances). These deposits are secured from risk by \$501,605 of federal deposit insurance and \$2,995,107 of pledged securities held by the custodial bank in the name of the fiscal agent bank (GASB Category 3).

Even though the pledged securities are considered uncollateralized (Category 3), R.S. 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the assessor that the fiscal agent has failed to pay deposited funds upon demand.

4. Investments

The assessor's investments are categorized into three categories of credit risk:

- Category 1.* Insured or registered, or securities held by the assessor or by its agent in the assessor's name.
- Category 2.* Uninsured and unregistered, with securities held by the counter party's trust department or agent in the assessor's name.
- Category 3.* Uninsured and unregistered, with securities held by the counter party, or by its trust department or agent, but not in the assessor's name.

At fiscal year-end the assessor's investment balances were as follows:

	Book Balance	Categories		
		1	2	3
Investments not subject to categorization				
LAMP	\$ 274,157			

Investments held at the assessor of \$274,157 are invested in the Louisiana Asset Management Pool (LAMP), a local government investment pool. In accordance with GASB Codification Section 150.126, the investment in LAMP at the assessor is not categorized in the three risk categories provided by GASB Codification Section 150.125 because the investment is in the pool of funds and therefore not evidenced by securities that exist in physical or book entry form.

EAST BATON ROUGE PARISH ASSESSOR'S OFFICE

Notes to Financial Statements, Continued

December 31, 2007

LAMP is administered by LAMP, Inc., a non-profit corporation organized under the laws of the State of Louisiana. Only local government entities that have contracted to participate in LAMP have an investment interest in its pool of assets. The primary objective of LAMP is to provide a safe environment for the placement of public funds in short-term, high quality investments. The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest in accordance with LSA – R.S. 33:2955. Accordingly, LAMP investments are restricted to securities issued, guaranteed, or backed by the U.S. Treasury, the U.S. Government, or one of its agencies, enterprises, or instrumentalities, as well as repurchased agreements collateralized by those securities.

Effective August 1, 2001, LAMP's investment guidelines were amended to permit the investment in government-only money market funds. In its 2001 Regular Session, the Louisiana Legislature (Senate Bill No. 512, Act 701) enacted LSA-R.S. 33:2955(A)(1)(h) which allows all municipalities, parishes, school boards, and any other political subdivisions of the State to invest in "Investment grade (A-1/P-1) commercial paper of domestic United States corporations." Effective October 1, 2001, LAMP's Investment Guidelines were amended to allow the limited investment in A-1 or A-1+ commercial paper.

The dollar weighted average portfolio maturity of LAMP assets is restricted to not more than 90 days, and consists of no securities with a maturity in excess of 397 days. LAMP is designed to be highly liquid to give its participants immediate access to their account balances. The investments in LAMP are stated at fair value based on quoted market rates. The fair value is determined on a weekly basis by LAMP and the value of the position in the external investment pool is the same as the value of the pool shares.

LAMP, Inc. is subject to the regulatory oversight of the state treasurer and the board of directors. LAMP is not registered with the SEC as an investment company.

EAST BATON ROUGE PARISH ASSESSOR'S OFFICE

Notes to Financial Statements, Continued

December 31, 2007

5. Changes in Capital Assets

Capital assets and depreciation activity as of and for the year ended December 31, 2007, is as follows:

	Balance January 1, 2007	Additions	Deletions	Balance December 31, 2007
Vehicles	\$ 172,511	\$ 17,918	\$ -	\$ 190,429
Furniture and equipment	296,701	34,111	-	330,812
	469,212	52,029	-	521,241
Less accumulated depreciation	357,853	43,848	-	401,701
	<u>\$ 111,359</u>	<u>\$ 8,181</u>	<u>\$ -</u>	<u>\$ 119,540</u>

6. Retirement Commitments

Louisiana Assessors' Retirement Fund

Plan Description. Substantially all employees of the East Baton Rouge Parish Assessor's Office are members of the Louisiana Assessors' Retirement System ("System"), a cost sharing, multiple employer defined benefit pension plan administered by a separate Board of Trustees.

All full-time employees who are under the age of 60 at the time of original employment and are not drawing retirement benefits from any other public retirement system in Louisiana are required to participate in the System. Employees who retire at or after age 55 with at least 12 years of credited service, or who retire with at least 30 years of credited service, are entitled to a retirement benefit, payable monthly for life, equal to $3\frac{1}{3}$ % of their final-average salary for each year of credited service, not to exceed 100% of their final- average salary. Final-average salary is the employee's average salary over the 36 consecutive or joined months that produce the highest average. Employees who terminate with at least 12 years of service, and who do not withdraw their employee contributions, may retire at or after age 55 and receive the benefit accrued to their date of termination. The System also provides death and disability benefits. Benefits are established or amended by state statute.

EAST BATON ROUGE PARISH ASSESSOR'S OFFICE

Notes to Financial Statements, Continued

December 31, 2007

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the system. That report may be obtained by writing to the Louisiana Assessors' Retirement System, Post Office Box 14699, Baton Rouge, Louisiana 70898-1699, or by calling (225) 928-8886.

Funding Policy. Plan members are required by state statute to contribute 8.0 percent of their annual covered salary and the East Baton Rouge Parish Assessor is required to contribute at an actuarially determined rate. The current rate is 13.5 percent of annual covered payroll. Contributions to the System also include one-fourth of one percent (one percent for Orleans Parish) of the taxes shown to be collectible by the tax rolls of each parish, plus revenue sharing funds appropriated by the legislature. The contribution requirements of plan members and the East Baton Rouge Parish Assessor are established and may be amended by state statute. As provided by Louisiana Revised Statute 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The East Baton Rouge Parish Assessor's contributions to the System for the years ending December 31, 2007, 2006 and 2005 were \$321,742, \$323,197, and \$312,981 respectively, equal to the required contributions for each year.

7. Other Post Employment Benefits

The assessor's office provides certain health care and life insurance benefits for retired employees. Substantially all of the assessor's office employees may become eligible for those benefits if they reach normal retirement age while working for the Office. The cost of the retiree health care and life insurance benefits is recognized as expenditures as monthly premiums are paid. For 2007, those costs totaled \$154,833. The number of retirees currently receiving benefits is 26.

8. Operating Lease

In June of 2007, the assessor renewed a one year operating lease related to their satellite office. The lease called for monthly payments of \$1,826 until May of 2007 when the lease payment increased to \$1,872. For year end 2007, rentals were \$22,278 for this lease.

EAST BATON ROUGE PARISH ASSESSOR'S OFFICE

Other Required Supplementary Information

December 31, 2007

EAST BATON ROUGE PARISH ASSESSOR'S OFFICE

Exhibit G

Governmental Fund - General Fund **Statement of Revenue, Expenditures and Changes** **in Fund Balance - Budget (Non-GAAP Basis) and Actual** **Year Ended December 31, 2007**

	GAAP Basis	Actual		Budget Basis	Budget		Variance - Favorable (Unfavorable)
		Adjustment to Budget Basis	Budget Basis		Original	Final	
Revenues							
Ad valorem taxes	\$ 3,550,912	\$ -	\$ 3,550,912	\$ 3,500,000	\$ 3,500,000	\$ 3,500,000	\$ 50,912
Charges for services	105,418	-	105,418	100,000	100,000	100,000	5,418
Interest and investment earnings	211,151	(56) (1)	211,095	-	-	-	211,095
Miscellaneous	3,926	-	3,926	-	-	-	3,926
Total Revenues	3,871,407	(56)	3,871,351	3,600,000	3,600,000	3,600,000	271,351
Expenditures							
Current							
General government							
Personnel services	3,482,195	-	3,482,195	3,752,669	3,752,669	3,752,669	270,474
Other services and charges	368,802	43,848 (2)	412,650	458,900	458,900	458,900	46,250
Supplies	47,766	-	47,766	105,000	105,000	105,000	57,234
Capital outlay	52,029	-	52,029	20,000	20,000	20,000	(32,029)
Total Expenditures	3,950,792	43,848	3,994,640	4,336,569	4,336,569	4,336,569	341,929
Excess of Revenues Over (Under) Expenditures	(79,385)	(43,904)	(123,289)	(736,569)	(736,569)	(736,569)	613,280
Fund Balances							
Beginning	3,557,680	(7,862)	3,549,818				
Ending	<u>\$ 3,478,295</u>	<u>\$ (51,766)</u>	<u>\$ 3,426,529</u>				

Explanation of differences

- (1) Accrued interest on certificates of deposit and reversal of prior year accrued interest on certificates of deposit
- (2) Accrued expense and reversal of prior year accrued expense

EAST BATON ROUGE PARISH ASSESSOR'S OFFICE

Compliance and Internal Control

December 31, 2007

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND COMPLIANCE AND OTHER MATTERS BASED
ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

Honorable Brian Wilson, Assessor
East Baton Rouge Parish Assessor's Office

We have audited the basic financial statements of the East Baton Rouge Parish Assessor's Office as of and for the year ended December 31, 2007, and have issued our report thereon dated May 15, 2008. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Governmental Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the East Baton Rouge Parish Assessor's Office's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the East Baton Rouge Parish Assessor's Office's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the East Baton Rouge Parish Assessor's Office's internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. However, as discussed below, we identified certain deficiencies in internal control over financial reporting that we consider to be significant deficiencies.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control. We consider the deficiencies described below to be significant deficiencies in internal control over financial reporting.

The assessor does not have Certified Public Accountants on staff to prepare its financial statements in accordance with generally accepted accounting principles.

The assessor believes that his staff is fully competent to perform their assigned duties and has determined it is most cost effective to request that the auditor assist with preparing adjustments necessary for the financial statements to be presented in accordance with generally accepted accounting principles.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the entity's internal control.

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the internal control that might be significant deficiencies and, accordingly, would not necessarily disclose all significant deficiencies that are also considered to be material weaknesses. However, we believe that the significant deficiencies described above is a material weakness.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the East Baton Rouge Parish Assessor's Office's basic financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended for the information of the assessor, management and the Louisiana Legislative Auditor and is not intended to be and should not be used by anyone other than these specified parties. However, this report is a matter of public record and its distribution is not limited.

PROVOST, SALTER, HARPER & ALFORD, LLC

Provost, Salter, Harper & Alford, LLC

May 15, 2008



Certified
Public
Accountants

Business
Advisors

May 15, 2008

To Mr. Brian Wilson, East Baton Rouge Parish Assessor

We have audited the financial statements of the governmental activities and the remaining fund information of the East Baton Rouge Parish Assessor's Office for the year ended December 31, 2007, and have issued our report thereon dated May 15, 2008. Professional standards require that we provide you with the following information related to our audit.

Our Responsibility under U.S. Generally Accepted Auditing Standards

As stated in our engagement letter dated December 18, 2007, our responsibility, as described by professional standards, is to express opinions about whether the financial statements prepared by management with your oversight are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles. Our audit of the financial statements does not relieve you or management of your responsibilities.

Planned Scope and Timing of the Audit

We performed the audit according to the planned scope and timing previously communicated to you in our meeting about planning matters on December 20, 2007.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. In accordance with the terms of our engagement letter, we will advise management about the appropriateness of accounting policies and their application. The significant accounting policies used by the East Baton Rouge Parish Assessor's Office are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during 2007. We noted no transactions entered into by the governmental unit during the year for which there is a lack of authoritative guidance or consensus. There are no significant transactions that have been recognized in the financial statements in a different period than when the transaction occurred.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimate(s) affecting the financial statements were:

Management's estimate of the allowance for doubtful accounts is based on historical collection rates. We evaluated the key factors and assumptions used to develop the allowance for doubtful accounts in determining that it is reasonable in relation to the financial statements taken as a whole.

Management's estimate of the depreciation expense is based on its estimate of the useful lives of assets. We evaluated the key factors and assumptions used to develop the depreciation expense in determining that it is reasonable in relation to the financial statements taken as a whole.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated May 15, 2008.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the governmental unit's financial statements or a determination of the type of auditor's opinion that may be

expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the governmental unit's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

This information is intended solely for the use of Mr. Brian Wilson, Assessor and management of the East Baton Rouge Parish Assessor's Office and is not intended to be and should not be used by anyone other than these specified parties.

Provost, Salter, Harper, & Alford, LLC

Provost, Salter, Harper & Alford, LLC